

THE SHEFFIELD REVIEW

**A REPORT PREPARED FOR THE
FURTHER EDUCATION FUNDING
COUNCIL AND THE BOARD OF
THE SHEFFIELD COLLEGE BY DR
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EXECUTIVE SUMMARY

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Introduction

1 In December 1999, the Further Education Funding Council (FEFC) placed The Sheffield College in that category of colleges deemed to require exceptional support. This move was in response to concerns regarding:

- The Sheffield College's deteriorating financial position
- the adequacy of provision in Sheffield
- the management of The Sheffield College, and
- the loss, in the latter part of 1999, of three of the college's four senior managers (the principal, the director of finance and the head of human resources).

2 As a result of its concerns, the FEFC also nominated two governors to serve on the corporation board and a review of further education and training provision was established with the terms of reference shown in paragraph 3. The corporation board appointed an acting principal, Sir George Sweeney, principal of Knowsley Community College, from 1 January 2000.

3 The FEFC established the review in December 1999 with the following terms of reference:

To undertake a review of:

- a. *further education provision in the City of Sheffield to ensure its structure, content and coverage are appropriate to meet the needs of the City;*
- b. *the strategic, organisational and financial management of The Sheffield College and its long-term viability.*

4 The review team was required to produce separate reports on 3(a) and 3(b) above for the governors of The Sheffield College and the FEFC by the end of June 2000. The report on further education provision in the City of Sheffield (paragraph 3a) is to be available publicly.

5 This report is concerned with those aspects of further education provision in the City of Sheffield set out in the review's terms of reference in paragraph 3a. The Sheffield College's Development Plan 2000-03 details the implementation strategy for the recommendations of this review

6 The review team was asked to work closely with the governing body in conducting the review, to meet with governors, staff and students of The Sheffield College, interested parties in the City and surrounding area and, in the light of its current financial position, analyse the college's strengths and weaknesses, challenges and opportunities.

7 The principal recommendation of the review is that a restructured institution should be created with a board and chief executive, and be organised on the basis of three clearly focused colleges within an overall corporate framework. Each of the three colleges would be led by a principal and have a college council. The college councils should reflect local community and wider interests and should be represented on the overarching corporate board of the restructured institution. The latter may require revised instruments and articles of government for The Sheffield College.

Conduct of the Review

8 The review team met as many parties interested in post-16 education and training in the Sheffield area as possible, within the time available. These included representatives of Sheffield City Council and Sheffield Local Education Authority (LEA), the Chamber of Commerce, the Training and Enterprise Council, Yorkshire Forward, the Sheffield First Partnership, the government office, trade unions, Sheffield and Sheffield Hallam Universities, and local members of parliament. Discussions were also held with principals of colleges of further education and head teachers of schools in the area, the careers service and representatives of local community associations. A visit was also made to New College Nottingham, a large further education college formed through merger.

Background

9 The Sheffield College was established in September 1992 by the amalgamation of six existing further education colleges controlled by the LEA. It is one of the largest further education colleges in England with an annual income of about £45 million; 32,000 students; and 1,660 staff (1,241 full-time). It is now located at five main centres and makes use of about 50 neighbourhood centres for the delivery of its adult and community education provision.

10 The college is in a financially weak state, stemming in part from its poor forecasting, exacerbated by inadequate management information systems and a heavy reliance on distant franchising provision, from which it is currently withdrawing. In 1998-99, franchised provision, of which about two-thirds was delivered outside the college's local area, generated an income of £5.7 million against forecast delivery costs of £2.1 million. The financial benefits accruing from this margin between income and costs has created a financial buffer, masking weaknesses in strategic planning, organisation, management, staff deployment, estates and student recruitment. These weaknesses have been aggravated by inadequate management information systems, outdated working practices and by a contractual culture amongst some staff of the college that, on occasions, inhibits its flexibility and capacity to react quickly to the needs of its customers. They now need addressing with some urgency.

Education and Training in Sheffield

11 Sheffield has a population of 530,000 of whom 70,000 are aged 5-15 years. The 16 year-old cohort of 5,200 in the year 2000 rises to 5,900 in 2003. The 16-24 year old age group of 67,000 is boosted by the influx of higher education students to the City's two universities.

12 Sheffield maintains 195 schools, of which 27 are secondary schools. Seven maintained and two independent schools have sixth forms. There are also two universities and a college of further education, The Sheffield College.

13 About 170,000 people participate in education as pupils, students, teachers and support staff. Just over 60% of all Year 11 leavers remain in education: about 20% attend school sixth forms and about 40% attend The Sheffield College. About 8,000 trainees participate in government-sponsored training schemes, of which approximately 2,500 are aged 16-18 years.

14 The 16-19-participation rate in education and training in Sheffield at 67% is well below the national average of 78%. Thirty eight per cent of Sheffield pupils gain 5 or more GCSEs at grades A*-C, compared with the average for England of 46%. About 25,000 Sheffield residents attend courses offered by The Sheffield College. A further 6,000 attend further education programmes offered by colleges located outside the City.

15 In February 2000, the Sheffield City Council received a critical report from the Office for Standards in Education in relation to the standards of education provided by Sheffield schools.

16 Sheffield is a City in which schools, The Sheffield College and training providers appear to go their separate ways. Although a body known as the Sheffield First Partnership has developed a unified education and training strategy for the City, collaborative ventures to deliver this strategy at grass roots level are few and far between. Schools with sixth forms are protective of their own post-16 arrangements; those schools without sixth forms feel deprived. There is a bewildering array of projects and training programmes for both young people and adults with too many players and too little co-ordination of provision. The Sheffield College has been partially distracted from addressing the further education needs of the City by its franchising activities and its financial problems. In particular, it has failed to punch its weight strategically in the city and to cater adequately for those who require provision at level 2 and below.

An Education and Training Strategy for Sheffield

17 The key elements of Sheffield's education and training agenda over the next few years should be to:

- make good deficiencies in the performance of school pupils
- raise the education and skills levels of the population to at least the national average, through appropriate, targeted post-16 education and training programmes
- encourage a collaborative approach to lifelong learning amongst the City's education and training institutions.

18 At the post-16 level, this agenda will require a concerted effort throughout Sheffield to:

- widen participation in education and training, particularly for those who have not yet achieved level 3 qualifications
- ensure the appropriate delivery of Curriculum 2000
- make full use of the opportunities offered by the University for Industry, known as *learnirect*
- develop information and communications technology as an aide to the delivery of learning programmes
- tackle education deprivation in parts of the City through a variety of approaches to curriculum delivery.

19 The Sheffield LEA is keen to develop a coherent approach to 14-19 education and training across the City. In this climate, the opportunity for developing closer strategic and operational relationships between the LEA and The Sheffield College in relation to this age group should not be missed.

20 If the LEA's strategy for 14-19 education and training is to succeed, it is imperative that there is a clear strategy for post-16 education and training provision throughout Sheffield. Such a strategy would involve regarding the age of 14 years as a key decision point for young people. For this to be possible, there must be appropriate opportunities for study and subsequent seamless progression to further and higher education, training or employment.

21 At present The Sheffield College provides taster courses for 14-16 year-olds, support for schools in the delivery of GNVQ, NVQ modules for school pupils, curriculum provision at both Years 10 and 11, and some support for staff development in schools. Whilst admirable, these various initiatives fall short of what is necessary if a comprehensive 14-19 strategy is to be successfully delivered. The LEA has suggested that a small strategic development team should be established involving LEA officers and college staff charged with agreeing joint programmes of Key Stage 4 activity from September 2000 onwards. The LEA envisages that this group should establish a fully costed menu of opportunities for school pupils into which schools can buy. The restructured college should also work with the LEA to produce a college prospectus setting out such provision for the 11-16 sector with a clear pricing structure. The restructured college should also take steps to work more closely with the City's 11-18 schools in the delivery of Curriculum 2000.

22 These are challenging issues that have resource implications, as well as the need for goodwill on all sides. The review team believe that both the climate and the timing are right to enable this approach to succeed. It will, of course, require the support of funding agencies and the various social partners of the LEA and the College. It will also require the college to consider all aspects of its accommodation including its geographical location, its utilisation, the disposition of its programmes and its general decorative order.

The Role of The Sheffield College

23 In all these proposed developments, the key strategic player in post-16 education and training is The Sheffield College. Its task is a formidable one and the change necessary to achieve the required transformation in the education and skill levels of the Sheffield workforce is daunting. If the college is to punch its strategic weight in the city, it will need to:

- become financially viable
- refocus its core business and improve its marketing
- give more emphasis to widening participation and the needs of its local communities
- give increased autonomy to its main delivery centres and reassert their differing but complementary roles
- take steps to reduce bureaucracy and improve college management through:
 - disbanding its complex and highly centralised organisation and management structure
 - establishing clear lines of management responsibility and accountability, thereby ensuring that the college's strategic objectives are delivered efficiently and to time
- tackle outdated working practices and the contractual culture amongst some staff
- take steps to improve its image and status as perceived by the people of Sheffield
- work collaboratively with its various partners
- improve both its internal and external relations
- work closely with the Sheffield LEA and local schools to tackle education deprivation in the City and to raise the levels of achievement of young people
- establish good working relationships with both the national and local Learning and Skills Councils (LSC)
- continue to improve its information and communications technology (ICT) provision

- work closely with *learnirect* to develop novel methods of course delivery.

24 The Sheffield College has a number of strengths on which it can build. It has a large estate, committed teachers and support staff, good on-line learning facilities for students, good provision in sciences, health and social care, leisure and English. It also has a governing body that has shown its willingness to take prompt action to address strategic planning, communication, management information, and financial weaknesses following its designation by the FEFC as a college requiring exceptional support.

Options for the College

25 In offering a solution to the present difficulties being experienced by The Sheffield College, three options were considered by the review team. These were:

- maintaining the present arrangements and reorganising the management of the college, with the aim of making it more accountable
- breaking up the college into three separate colleges with their own governing bodies
- reorganising The Sheffield College on the basis of three colleges, each led by a college principal, with their own college councils, under the direction of a chief executive and an overarching governing body.

26 The team concluded that the first option would not lead to the significant and immediate change that is necessary if the college is to:

- re-establish its image in the City
- become financially viable
- refocus its curriculum
- change attitudes and working practices of some staff
- deliver enhanced educational opportunities for the people of Sheffield.

27 Sheffield's population of 530,000 people has a potential further education student body of about 30,000 if the City achieves the national average participation level in further education. This is sufficient to support three quite large further education colleges. In consequence, the review team gave serious consideration to the break-up of The Sheffield College. However, the formal creation of three separate corporations would require complex legal changes involving the establishment of new governing bodies, and the reassignment of capital assets and debt. Additionally, the uncertainty and potentially unhelpful competition between the three separate corporations would be both time consuming and disruptive and could destabilise provision. The college would also lose some of the advantages that size bestows,

such as the opportunity to plan strategically across the City, and to realise the benefits stemming from common financial systems, common human resources policies, and integrated and networked ICT systems. Such systems have already been introduced. Although the benefits have not so far been realised, the potential remains.

Recommendations

28 The review team therefore recommend the third option, namely that:

- a. The Sheffield College should be restructured with a board and chief executive:
 - it should be organised on the basis of three clearly focused colleges within an overarching corporate framework, that may need to be defined in revised instruments and articles of government
 - two of the three colleges should concentrate on the education of 16-19 year olds and be designated sixth form colleges within the new structure; the third would be a more broadly based further and higher education college catering principally for adults, however, it would also have a sixth form centre with provision, in the main, for 16-19 year olds
 - each of the three colleges should have a college council and be led by a college principal
 - the membership of the college councils should reflect local community and wider interests
 - each college council should be represented on the overarching corporate board of the restructured college;
- b. the restructured college should:
 - refocus its core business by:
 - continuing to withdraw from distance franchising
 - widening participation in Sheffield through an expansion of 16-19 provision
 - playing a more active role in the New Deal programme
 - expanding adult education provision in collaboration with the LEA
 - taking advantage of the opportunities created by the granting of Objective 1 status to the area
 - developing appropriate foundation type degree programmes
 - exploring with the LEA the possibility of playing an increased role in 14-19 education.

- take immediate action to ensure its financial viability through:
 - re-negotiating staff contracts
 - reducing its staffing levels
 - matching staff skills to students' needs
 - reviewing its accommodation strategy
 - exploring opportunities for public and private partnerships in the delivery of its mission
 - agreeing a financial recovery plan with the FEFC with the aim of delivering the agenda mapped out in this report
 - take steps to reduce bureaucracy and improve the management of the college by:
 - introducing accountable management structures
 - reducing the number of managers
 - improving management information, its dissemination and its use
 - enhancing financial management throughout the organisation
 - making more efficient use of personnel
 - improving accommodation utilisation
 - appropriate and focused marketing of the college and its provision
 - develop a comprehensive ICT strategy to enable the college to take full advantage of the opportunities for expansion offered by both CITINET (described at paragraph 67), *learndirect* and the Internet
 - consider, with the LEA, the possibility of extending sixth form college provision in the north of the City
 - work collaboratively with its various partners such as the LEA, the Sheffield First Partnership, local schools, the City's two universities, and local businesses
 - take steps to improve its image and raise its status as perceived by the people of Sheffield and encourage them to take advantage of the many opportunities that the college offers
 - establish a college project team to plan the implementation of the college's new structure;
- c. the director of education, in consultation with the governors and chief executive of the restructured college and others, such as the Sheffield First Partnership, should convene a small steering group to carry forward those of our recommendations that have implications for compulsory and adult education and, hence, for the City as a whole.

29 The LSC, once it is established, is likely to fund colleges through two streams: a 16-19 stream and an adult stream. Funding to the restructured college would be to the corporation, with the chief executive as accounting officer. However, such funding is likely to be based on the broad enrolment profile of the constituent colleges.

30 The thrust of this review has been the need for 'a fresh start' for further education in Sheffield. A vital part of such a development is the need for a change of name for the college. The review team suggests that it might be appropriate to rename the restructured institution and its constituent colleges and to consult on this change of name.

College Development Plan 2000-03

31 In preparing a development plan for the restructured college, it has been assumed that the key recommendations in paragraph 28 of this executive summary and paragraphs 120-156 of the main report are approved by the college's board of governors and are acceptable to the FEFC.

32 There are five principal strands to the development plan. These are:

- a re-definition of the college's mission and a re-casting of its key strategic aims
- the immediate appointment of a chief executive and accounting officer and the appointment of the three college principals and other members of the senior management team as soon as possible
- the development of a curriculum strategy that meets the needs of the people of Sheffield and allows the college to grow to a sustainable level
- the agreement of a financial strategy that reduces expenditure and ensures the college's financial viability at an average level of funding approaching the sector mean
- the development of an accommodation strategy that is both curriculum and needs led.